



Michigan Agri-Business Association

November 30, 2021

Members of the Michigan House Appropriations Committee,

I am writing on behalf of the Michigan Agri-Business Association (MABA), a nonprofit trade association representing more than 300 businesses and organizations on the agricultural value chain, to encourage you to support Senate Bill (SB) 494. MABA supports SB 494 because it maintains Michigan's current freshwater fee structure, provides certainty for farmers and rural businesses, and continues important environmental programs serving our state. We were pleased to see the bill approved on a strong bipartisan basis in the Michigan Senate.

SB 494 takes the important step of continuing funding for the Michigan Agriculture Environmental Assurance Program (MAEAP), which is provided in large part by fees assessed on fertilizer sales and pesticide product registrations in Michigan. Currently under this fee structure, MABA members pay a \$1.00/ton fertilizer sales fee, and \$270/product freshwater fee for pesticide registrations. Fertilizer fees are commonly passed on to Michigan farmers.

SB 494 maintains these fees at current levels, which will continue to generate several million dollars annually paid by farmers and rural agricultural businesses to support the MAEAP program. Our industry supports these fees at their current levels.

By avoiding a fee increase imposed on farmers and rural businesses, SB 494 reflects our position that funding toward environmental priorities should come from a range of sources. We were pleased that the state budget recently approved by the Michigan Legislature and signed by the Governor dedicated \$25 million toward a new Agriculture Nutrient Best Management Voluntary Practices program. SB 494 keeps Michigan on track to deliver a MAEAP program that will complement this important new effort.

We encourage you to support SB 494, which will provide farmers and rural businesses with certainty while continuing important environmental stewardship efforts in our industry. Thank you for your consideration and for your support of Michigan agriculture.

Sincerely,

Chuck Lippstreu

President
Michigan Agri-Business Association

cc: Rep. Julie Alexander, Chair, Michigan House Agriculture Committee